

AUG 3 1983

ORIGINAL

Decision 83 08 030

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application )  
of Melvin F. Sims, DBA Sims )  
Executive Van Service, for the )  
authority to increase fares for )  
the transportation of passengers )  
over the most direct route between )  
points in Downtown Los Angeles/ )  
Hollywood and West Hollywood/West )  
Los Angeles area to Los Angeles )  
International Airport recent )  
increases in payroll and other )  
operating expenses. )

Application 83-05-59  
(Filed May 23, 1983)

O P I N I O N

Melvin F. Sims (applicant) is a passenger stage corporation (PSC-1145) operating between Los Angeles International Airport and points in downtown Los Angeles, Hollywood, and West Los Angeles.

Applicant requests authority to increase his passenger fares from \$5.50 per passenger to \$6.00 per passenger, an increase of 50 cents.

Applicant's present fares were authorized at the same time the Commission granted his original authority, by Decision 82-08-103 dated December 30, 1982 in Application 82-12-42.

Applicant alleges that the requested fare increase is necessary to offset increases in operating costs.

Based on the information contained in the application, the following table sets forth the estimated results of operations under present and proposed fares for a test year ending June 30, 1984:

	<u>Test Year Ending June 30, 1984</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Passenger Revenues	\$62,500	\$76,192
Operating Expenses	70,614	72,471
Operating Income (Loss) Before Income Taxes	(8,114)	3,721
Operating Ratio Before Income Taxes	113%	95%

(Red Figure)

As indicated by the above table, applicant's operations in the test year ending June 30, 1984 under its present fares will be at a loss of \$8,114. The proposed fares will result in an annual gross revenue of \$76,192 and an annual gross revenue increase of \$13,692 with an operating ratio of 95% before income taxes.

Notice of this application was included in the Commission calendar dated May 31, 1983. No protests were received during the 30-day period allowed for protest by Rule 8.3 of the Commission's Rules of Practice and Procedure.

Findings of Fact

1. Applicant seeks a 50-cent increase in his passenger stage fares to offset operating losses.
2. The proposed fares are necessary to ensure the viability of applicant's service to the public.
3. The requested fare increase will result in additional annual gross revenues of \$13,692.
4. The requested fare increase is justified.
5. No protests were received.
6. Applicant is operating at a loss and needs the requested relief without further delay if he is to maintain a viable passenger stage service for the public.

7. Since the fare increase is necessary to ensure applicant's continued operations, the effective date of this order should be the date of signature.

Conclusions of Law

1. The increased fares are reasonable and justified and should be granted.

2. Applicant must receive this fare increase without delay if he is to remain a viable transportation service for the public.

O R D E R

IT IS ORDERED that:

1. Melvin F. Sims is authorized to establish the increased fares proposed in Application 83-05-59. Tariffs shall be filed not earlier than the effective date of this order. They may go into effect five days or more after the effective date of this order on not less than five days' notice to the Commission and to the public.

2. The authority shall expire unless exercised within 90 days after the effective date of this order.

3. In addition to posting and filing tariffs, applicant shall post a printed explanation of his fares in his revenue vehicles and terminals. The notice shall be posted at least five days before the effective date of the fare changes and shall remain posted for at least 30 days.

This order is effective today.

Dated AUG 3 1983, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President

VICTOR CALVO

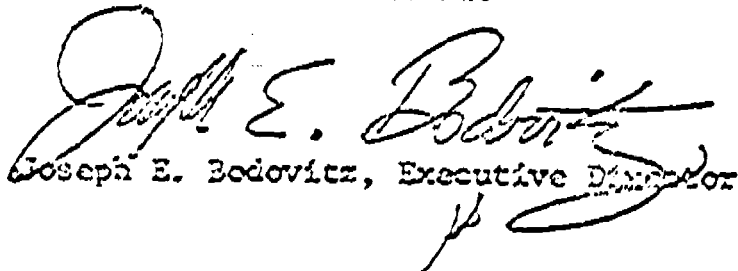
PRISCILLA C. GREW

DONALD VIAL

WILLIAM T. BAGLEY

Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Joseph E. Bodovitz, Executive Director